

## Exploring Millennials' Purchase Intentions toward Sustainable Luxury Brands

Virginia Rolling and Amrut Sadachar, Auburn University, USA

Keywords: Sustainable, luxury, impression

**Background:** Private-sphere environmentalism, the consumption of products having a direct environmental impact (Stern, 2000), is applicable to apparel consumption (Kim & Damhorst, 1998) in the luxury sector. Due to environmental issues caused by unsustainable fashion consumption (e.g., pollution, ozone depletion), sustainability efforts such as environmentally responsible behavior (e.g., consuming products using recycled material) should be employed (Kim & Damhorst, 1998). Recent research found negative perceptions of luxury products that contain recycled materials (Achabou & Dekhili, 2013). Negative impressions towards such luxury brands may be due to a dissonance of impressions formed by luxury products (e.g., prestigious) combined with recycled materials (e.g., waste) (Achabou & Dekhili, 2013). Since millennials are a growing luxury consumer segment (Giovannini, Xu, & Thomas, 2015) and purchasers of products related to recycling (Lu, Bock, & Joseph, 2013), the present study seeks to determine millennials' perceptions of sustainable luxury brands that use recycled materials.

**Approach:** In the present study, Asch's Impression Formation Theory (Asch, 1946) was used as a framework to determine how millennials perceive sustainability rhetoric and sustainable labeling for a luxury brand. Due to limited research on millennials impressions of luxury goods that use recycled materials, this study seeks to address the following research questions.

RQ1: Do luxury brands that use recycled materials influence millennials to form a sustainability impression or luxury impression?

RQ2: Does the impression formed by the luxury brand using recycled materials produce a favorable attitude?

RQ3: Does a favorable attitude toward sustainable luxury brands positively influence millennials' purchase intention for sustainable luxury brand products?

**Methods:** Amazon Mechanical Turk was used to conduct an online survey which included a sustainable luxury brand description scenario (e.g., luxury brand logo along with 100% recycled materials logo and sustainability rhetoric). Millennial consumers (age 19-35) were targeted which resulted in a usable sample of 177 participants. The survey consisted of 5-point Likert-type scales measuring: brand (luxury and sustainability) impression (Aaker, 1997), brand attitude (Spears, & Singh, 2004), and willingness to buy luxury brand products (Dodds, Monroe, & Grewal, 1991). SPSS was used to perform descriptive statistics, reliability analysis, correlation, and linear regressions.

**Results:** Majority (69%) of participants were white with an average age of 28 years (50.3% male and 49.7% female). The Cronbach's  $\alpha$  for the research variables (i.e., luxury impression, sustainability impression, attitude, and purchase intention) were .81, .93, .95, and .93 respectively satisfying the required internal consistency. Descriptive statistics revealed that the

mean scores on luxury impression (3.54) were higher than sustainability impression (2.09). Furthermore, the linear regression was conducted in which attitude comprised the dependent variable and luxury impression and sustainability impression were treated as independent variables. The results showed that luxury impression ( $\beta = .28, p = .000$ ) as well as sustainability impression ( $\beta = .25, p = .000$ ) both were significant predictors of attitude ( $F_{2,168} = 17.74, p = .000$ ). Another regression analysis revealed that attitude positively influenced purchase intentions ( $\beta = .61, p = .000$ ).

**Conclusion/Implications:** Sustainable luxury brand description lead to form higher luxury impression compared to sustainability impression. Furthermore, both luxury and sustainability impressions positively influenced the attitudes which ultimately positively influenced purchase intentions towards the sustainable luxury brand. Luxury brands should not hesitate to include and promote their sustainability efforts (e.g., use of recycled materials) because the present study suggests that it does not harm their luxury impression, but rather helps to create positive sustainability impression. Based on the results, luxury brands may consider finding ways to recycle their own product materials into new designs for upcoming seasons. In doing so, they may reduce the environmental impact of their own products on the planet. Future studies may look at other sustainability factors (e.g., organic, eco-friendly, cruelty free use of materials) and their influence on impression formation, attitudes, and purchase intention for luxury products.

#### References

- Aaker, J. L. (1997). Dimensions of brand personality. *Journal of Marketing Research, 34*(3), 347-356.
- Achabou, M. A., & Dekhili, S. (2013). Luxury and sustainable development: Is there a match? *Journal of Business Research, 66*(10), 1896-1903.
- Asch, S. E. (1946). Forming impressions of personality. *Journal of Abnormal and Social Psychology, 41*(3), 258-290.
- Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of price, brand, store information on buyers' product evaluations. *Journal of Marketing Research, 28*(3), 307-319.
- Giovannini, S., Xu, Y., & Thomas, J. (2015). Luxury fashion consumption and Generation Y consumers: Self, brand consciousness, and consumption motivations. *Journal of Fashion Marketing and Management, 19*(1), 22-40.
- Kim, H.-S. & Damhorst, M. L. (1998). Environmental concern and apparel consumption. *Clothing and Textiles Research Journal, 16*(3), 126-133.
- Lu, L., Bock, D., & Joseph, M. (2013). Green marketing: What the millennials buy. *Journal of Business Strategy, (34)*6, 3-10.
- Spears, N., & Singh, S. N. (2004). Measuring attitude toward the brand and purchase intentions. *Journal of Current Issues & Research in Advertising, 26*(2), 53-66.
- Stern, P. C. (2000). New environmental theories: toward a coherent theory of environmentally significant behavior. *Journal of Social Issues, 56*(3), 407-424.